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Office of the Secretary of Defense
Interview with Patricia Adams By John Sherwood

Department of Defense
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Interviewer Note: According to standard procedure the interviewer verified and edited the transcript and sent it to the interviewee, Patricia Adams, for review. The interviewee, Patricia Adams, was invited to make any changes as she saw fit. The interviewee did not edit or approve the transcript.

John Sherwood: My name is John Sherwood. I'm with the Naval History and Heritage Command, and I'm working for OSD on the NSPS History Project. I'm interviewing Patricia C. Adams, Deputy Assistant Secretary of the Navy as part of the NSPS History Project.

Okay, ma'am. How and when did you become involved in helping to develop the NSPS system?

Patricia Adams: I joined the Navy in June of 2003, and shortly after I got here, probably September, I was called into a meeting that was a joint meeting across OSD, and they were discussing a pay for performance system or a national security personnel system. I did not realize, but at that time they had already submitted legislation, and so it was probably August or September that I got my first meeting.

John Sherwood: Why did they select you to help develop this system?

Patricia Adams: Well, I am the senior policy person for civilian personnel for the Department of the Navy, and so it would be very logical for me since I was going to be actually taking whatever the legislation was and translating it into policy to be part of this discussion. Additionally, as I realized once I got to that meeting, there were other Navy people there who maybe had experience with the demo labs. And so we had a number of commands that were already doing pay for performance, so that was a good baseline for me as well.

John Sherwood: What was your role in the design and implementation of NSPS? If you could provide just a brief outline.

Patricia Adams: Originally I was called into the meetings to participate as, and I was actually sitting at the table with people behind me because I was brand new to Navy. But I was the senior policy person, so I was there and we were making decisions about how we were going to handle different pieces of the pay for performance system. And I eventually, we got the legislation in, I think it was November the legislation was passed, and so when I first started, it was something that might happen. We didn't know if it would happen, then it did happen, and then we ratcheted up the amount of design work that was going on.

And so my role was to represent the Department of Navy's interest in in how we crafted the personnel policy to ensure that it was something that would actually assist the commands and that we could actually function with. So that was pretty much my role. I stayed with it from that initial meeting in August of 2003 all the way up through today, which is the implementation of it.

John Sherwood: On the 12th of March, Secretary Rumsfeld called for a strategic pause. Can you explain why that happened in your estimation?

Patricia Adams: Yeah. I had come from industry outside. I had been with Marriott for almost 30 years previously, and so when I walked in and heard the discussion about what they were trying to do with the pay for performance system for over 600,000 civilians, I was a little bit surprised at how quickly we were going. I certainly had some concerns. The unions were not very happy with us at that point, and I think from my perspective, OSD had a very simplistic approach to what they were going to be doing. They did not understand the complexity of it. I certainly expressed my interests or my concerns to my boss, who is the Assistant Secretary for Manpower and Reserve Affairs.¹ He then expressed his concerns to Gordon England, who is Secretary of the Navy. Secretary England got engaged,

¹ William A. Navas. Interview on file with OSD.

especially as the tenor of the newspaper articles got more critical of what we were doing.

John Sherwood: On May 24th, Secretary England appointed Mary Lacey as Technical Director of the Naval Surface Warfare Center to replace Pete Brown as PEO. Why did Secretary England choose Mary Lacey for this position?

Patricia Adams: I'd like to actually go back to the pause, and then Pete Brown, and then Mary Lacey and kind of give you the sequence on that.

Secretary England got engaged, talked to Secretary Rumsfeld who called the pause. Then Secretary England got very involved in understanding what we were trying to do, and because of his industry experience², he understood the complexity of it. At that point, we created a number of teams that would be working on different pieces to kind of see what do we have, what do we need, how do we move forward. And at that point, Pete Brown came forward. He was the director of NAVSEA. And Pete had an excellent attitude, and I don't know if you're going to talk to him.³ He had a great perspective on the whole issue of governance. If you were in fact going to

² Gordon England's industry experience stretches back to 1966 when began work at Honeywell as a project engineer for the Gemini space program. Since then, he worked at Litton and in various positions at General Dynamics. Before joining the government 2001, he had served as the Executive Vice President in charge of information systems and international programs at General Dynamics.

³ Interview with Peter Brown on file with OSD.

establish a PEO, what would you need to do in order to have the right authorities in the Office in order to direct the design? So Pete was selected, but he only wanted to stay for a while. He didn't want to stay too long. And so he went out to look for, not a human resource person, but an actual operational manager who understood the capabilities that this system might give to the managers to actually manage performance and direct performance in their commands. So I think he particularly wanted to have somebody. Mary was an engineer. She had a lot of operational experience. She was a very good program manager and understood all the pieces, so I think that's what he was looking for.

John Sherwood: So she was the center of gravity for the NSPS design as the PEO?

Patricia Adams: Yes. Yes.

John Sherwood: What was the purpose of the Overarching Integrated Product Team, the OIPT? Who were the members? How often did they meet? And what kind of issues did they deliberate on?

Patricia Adams: The OIPT was established to ensure that we had senior leaders who were actually looking at the decisions that were going to be made about the major milestones of the program and included the assistant secretaries from all

the services, plus the head of WHS.⁴ Secretary England may have participated somewhat at the beginning or we actually did briefings back to him. I was an alternate to my boss, but my boss, the Assistant Secretary of the Navy,⁵ was really on the OIPT. And they guided, a lot of the design was done by managers, and operators, and HR⁶ people in collaborative teams, and the OIPT would have issues brought to them. And normally what they required was not one one solution, but several alternatives. I also expected them to tell me what the implications of all of them were. And sometimes it was actually Secretary England who would look at it and go, now, go back and do it again. But the OIPT was really to ensure that there were senior executive level oversight for the major design functions.

John Sherwood: Did the recommendations come from just OIPT or the PEO as well, Mary Lacey?

Patricia Adams: I would say that the PEO would direct the research and design suggestions. The OIPT would then be the board that would basically agree or disagree or send her back.

⁴ Washington Headquarters Services (WHS) is a Department of Defense (DoD) Field Activity, created on October 1, 1977. DoD Field Activities supply services common to more than one DoD component or military department. Currently, WHS has approximately 1,200 civilian and military employees and 2,000 contract employees. For information on WHS and its mission, see <http://www.whs.mil/>.

⁵ William A. Navas.

⁶ Human relations.

And she would bring issues forward to the OIPT that she felt were of concern that we hadn't looked at yet.

John Sherwood: So they were sort of an intermediary body between the Secretary and Ms. Lacey.

Patricia Adams: Yes.

John Sherwood: Well, you mentioned how the teams were selected. Were the working groups given specific responsibilities for redesign? Did some focus on substance and others on process? Was there cross fertilization between the teams?

Patricia Adams: Actually --

John Sherwood: And how often did they meet?

Patricia Adams: Okay. The working groups met, I mean, we took people out of the commands and brought them in for two or three months. When we did the strategic pause, one of the things we did, which I thought was really an excellent process, was we actually did requirements similar to what we have done for a major piece of equipment we were going to build. So we basically created a requirements group that then said in order for this process to work, these are the requirements, the end results. And then the teams pretty much broke up, I think, around those requirements and started designing.

John Sherwood: What were some of the primary issues considered by the working groups? Which of the design features

pertaining to the human resources selection of NSPS and the labor relations appeal sections of NSPS were the focus of the debate within the working groups?

Patricia Adams: The labor relations part, but I'm not the expert to talk to about that. I know there was work done on it. It was not my area of expertise, so there are much better experts on that. If I had the different working groups in front of me. I know there was one on compensation. There was one on performance management. I was always pushing for employee engagement, which is part of the performance management. How do we ensure that we really get people engaged in the objectives and buy into the system? It's a little foggy as to what the actual working groups were right now.

John Sherwood: Do you recall who the component program managers were and what role they played in the redesign of NSPS?

Patricia Adams: I know that the heads of the civilian HR for each one of the different services were very engaged in it, but we all put a different program manager then in charge of it. I don't remember. Who was our first?

Tia Butler: Cathy.

Patricia Adams: Cathy?

Tia Butler: Cathy Ott (phonetic sp.).

Patricia Adams: Oh, that's right, Cathy Ott.

John Sherwood: Just for the tape, what's your name, ma'am?

Patricia Adams: I'm sorry.

Tia Butler: I'm Tia Butler.

John Sherwood: Tia Butler. And your title?

Tia Butler: Staff director.

John Sherwood: Staff director. On occasion, Ms. Butler may interject --

Patricia Adams: Help me out here.

John Sherwood: -- with her great knowledge of NSPS.

Patricia Adams: That's right.

John Sherwood: Considering NSPS's human resources elements, in what significant ways did the PEO's NSPS design differ from the NSPS design immediately before the strategic pause?

Patricia Adams: I think before the strategic pause, there was a very simplistic approach to it, from my perspective, that OSD thought they could simply write policy and then you would have a system that would work across all of the different components. I think that was the reason why the pause happened because it was a complicated system to design, and if we hadn't taken the step back and they had just issued kind of general policy, NSPS would have been different in each single service. There would not have been this kind of consistency of process of grading, of scoring, of funding. There would've been so much variation that it wouldn't have been a single system. The

technology pieces were very complicated to do. Even with a joint system, we would've had people off doing all sorts of things. So I think that was the real fatal flaw initially was that the people who were doing the policy thought it was going to be a whole lot easier than it was. And as you know, we eventually went to this spiral development, so because of the complexity of doing it, we took a small population to go into 1.1, which gave us a chance to test it, to get the forms, to get the system. And it wasn't very pretty, the first piece of it, but we got better as we went along to the point where we just put 20,000, 30,000 people in, and it was no big deal. But that first initial, I think there was for Navy maybe about 2,500 people in the first spiral, and it was like, oh wow, what have we gotten ourselves into? So we learned as we went, and we started with a smaller population.

I think oftentimes in government you don't realize the complexity of it. It seems like I'll just put a policy out there and then things will work, and then they don't because it is a very complicated system. Plus government is complicated.

John Sherwood: Why did the unions oppose NSPS to such a great extent?

Patricia Adams: My feeling, and I was not in the meetings, but my feeling was that there was some bad blood already between the Administration. Bush appointees came in with a

different attitude, and the people who were in the room negotiating or discussing it with the unions perhaps did not handle themselves as professionally or as collaboratively as they could have, which I think the unions then reacted to. And so there was just kind of this bad blood from the beginning that didn't get any better. And the fact that, I think there was some intention of ridding all the problems of dealing with unions through this new system. I mean, I think the Administration had some naive thoughts about that. And perhaps, and again, I'm not a labor relations specialist, but my impression was that there was some grab of some things that were very sensitive initially.

John Sherwood: But you came in with a lot more experience than most people with unions because of Marriott, and that was a great asset.

Patricia Adams: Right. Well, actually Marriott is a non-union company.

John Sherwood: Oh really? I didn't know that.

Patricia Adams: Yeah. So I didn't have a lot of experience with that. But I did have a lot of experience with employee relations.

John Sherwood: Oh, I see.

Patricia Adams: And my feeling was that there were some things that could've perhaps been handled a little bit more collaboratively that didn't get handled that way.

John Sherwood: Were employees covered by collective bargaining units effectively excluded from being converted to NSPS until the lawsuit was resolved?

Patricia Adams: I think we kind of, again, we looked at the complexity of making, of putting people in. So the first ones in were people like HR that cannot organize, and also would be the best to help the rest come in. I think part of what was going on was do you want to bring in the blue collar, which we knew were all organized. And there was always a question in my mind, maybe not others, but in my mind of, did it really make sense to do pay for performance for certain populations of people. This is probably not good for the history, but my druthers would've always been to do managers and supervisors. As I would say in our hotels at Marriott, the housekeepers knew what their pay was; they could count on it. If there were some performance issues, we'd deal with them, but we certainly didn't link their pay to performance because they're fragile. They need to know what they have. We didn't place their pay at risk. Now managers and supervisors we did because it was a different kind of expectation. So I think there was always a hesitancy to start with that population, and

there was always a question, at least in my mind, of whether it even made sense. We did have a group go off, one of the shipyards go off and try and do some design around what would a performance management system look like for the wage grade or the blue collar? But we knew it was going to be very, very difficult, so I personally was not very interested in starting there.

John Sherwood: What were the PEO's plans for converting employees in the federal wage grade system to NSPS?

Patricia Adams: Yeah. The federal wage grade is our blue collar.

John Sherwood: Oh, that is the blue --

Patricia Adams: Yeah, that's blue collar. Yeah. What I call blue collar. Mostly in the shipyards and our industrial facilities.

John Sherwood: With implementation, on 15 December '04, Secretary England announced Spiral 1, which would begin as early as July '05 and would incorporate as many as 300,000 employees. The first stage of the implementation of Spiral 1.1 did not begin until April of '06. As of May 2008, some 180,000 employees have been converted to NSPS. Other than the union opposition, what caused the delay for the others?

Patricia Adams: There were technology issues. Could we have the technology to do pay for performance? And I think

that delayed it somewhat. The other thing was simply to get people trained. It was a lot more complicated than we thought. First of all, you had to ensure that executives had clearly articulated what are the objectives of the organization, where are we going, and how will we measure when we get there? So some of the executives, we had these huge strategies, but they weren't really kind of business plans, so we had to get those done. We had to get people trained. How do you write performance standards, measurable performance standards, that make sense? And those have to then be cascaded down through the organization. We started the training in Navy, and we thought we had some good training, and, boy, the employees told us right away it wasn't good enough, so we had to go back and do it again. So it was a lot of listening to people and saying, are we okay? If we're not okay, okay, we've got it, we're going to go back and redo it. So I think that was some of the delay.

John Sherwood: The spiral system of implementation as a concept is derived from the acquisition process. Discuss the stages and objections of the system of gradual implementation.

Patricia Adams: I think, well, in government there's always kind of the political phase, so certainly the political phase meant that they wanted to get going and get going quickly, right? Congress had given us this authority. They wanted to

get it out there. We had made a commitment that we were going to get it there. And it was hard; it was complicated. So I think what we did was we kind of whittled it down and said, well, it really is Spiral 1. We're going to get all this done, but we're going to start with 1.1, which is going to be a little bit smaller, and then we'll bring the next one in. And Secretary England I think was always clear to say that we will move as fast as we need to, and that makes sense. I mean, he basically didn't say a schedule is a schedule and you've got to go. We'll go when we're ready. So the spirals allowed us to do that and to improve things in between the first 1.1 to 1.2. We could get feedback and we could fix some things and make it better for the next.

John Sherwood: Can you talk about the IT requirements for NSPS and who was in charge of IT?

Patricia Adams: OSD was in charge of the Civilian Personnel Management System or Center, Services. It's part of OSD, and they run the central. They run the technology called DCPDS,⁷ which is our internal personnel system for civilians.

⁷ The Defense Civilian Personnel Data System (DCPDS) is a computer supported system designed to improve the accuracy, responsiveness, and usefulness of data required for civilian personnel management within the Department of Defense.

And they were in charge of getting this technology out there. I was always very suspicious about the ability to deliver on this technology, and we got briefed up very early by a gentleman who was about ready to retire. And he said, don't worry, everything is going to be fine, and then he walked out the door and left it for the next person. It was very complicated; it was very hard. And what came out with 1.1 was very unattractive, not very user friendly. But we got better, and I think today we have an iteration that is better.

I think the other thing that we realized is that HR people are used to pretty bad technology, but the user isn't. So then they wanted something better than we were used to dealing with, and so we got hammered pretty well in the early spirals on that.

John Sherwood: According to an April 13th, '06 memo, Mary Lacey to Secretary England, "The Spiral 1.1 employee population dropped from 70,000 to 11,000." Why did this reduction occur, and which groups of DoD employees were converted? You sort of touched on that earlier.

Patricia Adams: Yeah. In Navy we had --

John Sherwood: Forty-four hundred.

Patricia Adams: -- 4,400, so we were a large part of that first one. And we really hadn't signed up for a whole lot more than that. And also my boss, Mr. Navas, had really asked that we start with headquarters organizations and then move down

from there, so our target group was always going to be small at the beginning. I think the other services thought that they could bring a whole lot more people in. They didn't realize how complicated it was.

Tia Butler: If I may. The other thing was they redesigned the performance management system right before that point, so that resulted in the need to go back and retrain everybody that they had originally planned to go into Spiral 1.1 because originally it was, well, the system now is objectives with the contributing factors --

Patricia Adams: Oh, that's right.

Tia Butler: -- and before it was kind of something of the reverse. So that was a huge change that resulted. You need to back and train all of them.

Patricia Adams: I had forgotten about that, yeah.

John Sherwood: Thank you. What type of problems, if any, developed during the initial conversion process? You mentioned employees not being trained adequately. And were the managers involved in the implementation sufficiently trained to facilitate the transition?

Patricia Adams: I would say that one of the first things we realized is that our ratio of managers to employees was probably not right because we had had a pass/fail system where basically everybody passed, and now I'm saying to supervisors,

you need to set objectives. You need to do feedback for your employees. You need to do the final review. You need to participate in pay pools. All of a sudden if I could have maybe 25-30 employees reporting to me, I can't do that if I'm going to give that kind of feedback to people. So it required us to go out and see what our ratio of supervisors to employees was. Managers and supervisors needed to step forward and actually do performance management as opposed to focusing mainly on their own work. They really were not doing supervising. So you change that ratio, and now you have to have more managers or supervisors, or those that were working have to give up the work and dedicate their time to this. And, yeah, we had a problem of training managers and supervisors. And also if you're a working supervisor, your skills may be in your work; they may not be in communicating with your employees. And so I say, yeah, you're supervising, you've got to talk to your employees, oh, I'm so sorry, you know, but it's your job. And engineers and scientists sometimes didn't really want to talk to their employees.

John Sherwood: Same story with historians.

Patricia Adams: So it was a whole cultural change around that. So I think that today we have better managers and supervisors who are interested in performance management, and

that may be a different kind of manager or supervisor than we had before.

John Sherwood: How was the 1.1 Spiral implementation evaluated, and what were the lessons learned that could be applied to 1.2?

Patricia Adams: I know that we went out and we did a lot of feedback. A lot of the improvements I think were around the training, the technology. The technology was really very difficult to use.

John Sherwood: Was there a contractor that developed the module --

Patricia Adams: Did we do it internally or not?

Tia Butler: No, I think there were contract support people who did it because it was an Oracle system that was tweaked tremendously for that purpose.

Patricia Adams: And again, that was pretty much run through OSD. The big problem with the technology is they didn't test it, and they should've done customer testing. Instead they did a little bit of testing in a lab and made sure everything worked, and they put it out there. Not a lot of training. Not a lot of testing. There were a lot of bugs. People couldn't use it on their system with some of the security. They changed that as they went forward with the different iterations of it.

I also think the thing that we learned a lot with the Spiral 1.1 is if you don't have good performance objectives that are measurable, you don't have good performance management. And so now remember, too, with each one of these spirals we did a mock, and I don't know if you're going to ask me about the mock, but the mock is a very important piece of it. So it means if you go --

John Sherwood: The mock pay pool?

Patricia Adams: Yeah.

John Sherwood: Yes.

Patricia Adams: Yeah. Yeah. So if you go in and you perform a standard halfway through the performance period, we're going to stop as managers and supervisors and try and say, okay, if we were going to do our performance management today, what would it look like, and what would the evaluations look like?

John Sherwood: You can make course corrections, and move forward?

Patricia Adams: Yes, you can. Yeah. Yeah. And what they found every time they did the mock was performance objectives aren't so good, so we need to go back --

John Sherwood: Yes, rewrite them.

Patricia Adams: Yes, rewrite them. Fix them.

John Sherwood: I'm very familiar with that.

Patricia Adams: And we get better.

John Sherwood: Absolutely.

Patricia Adams: Yeah, we get better. But that was a big piece of learning how to do performance objectives. The other thing is the pay pool process, so managers, and I love the pay pool process. It came actually from our demos. They had, I think NRL, all of them had pretty much, rather than having the supervisor, because, you know, the big concern is always that if you don't like me, you're going to rate me down, or if you love me, you're going to make me walk on water. So how do you normalize that? And it seemed that the demos had normalized it by having a supervisory pay pool where you would have to come in and present your employees to peers who would know --

John Sherwood: It's kind of like a promotions board.

Patricia Adams: Exactly. Exactly.

John Sherwood: It was that model?

Patricia Adams: That may have been the model originally in the demos. For me, the model was the demos because I didn't even know about the promotion boards. I've since seen the promotion boards, but it's very similar to promotion boards. And those who had participated in promotion boards brought, especially the military, brought that kind of attitude forward, yeah.

John Sherwood: NDAA 2008. How has the National Defense Authorization Act of '08 affected the NSPS process?

Patricia Adams: Congress has been kind of giving us information about how we guarantee employees their pay out. It guaranteed all employees receiving a two or above, which is above unacceptable. So one means you didn't get your objectives done. Two means you got your objectives done, but you needed a whole lot of help with it. You got it done. Three means you're an excellent performer. Four and five, of course, means you begin to --

John Sherwood: Walk on water.

Patricia Adams: -- walk on water, yeah. You're a role model. But the NDAA of 2008 guaranteed all employees receiving a two or above would receive at least 60 percent of the annual government-wide pay increase as base salary increase. And that was then put into the January 2008-2009 performance pay. That meant that if you were a level two or above, you would be guaranteed that 60 percent pay at that level. It also exempted wage grade, FWS employees. That was NDAA 2008.

John Sherwood: FWS?

Patricia Adams: The federal wage grade employees? Yeah.

John Sherwood: Oh, the blue collar.

Patricia Adams: Yeah. Yeah, the blue collar. It removed workforce shaping RIF, furloughs, adverse actions, appeals, and

labor management relations from NSPS regulations. So we had to go back to our original way of doing that. And Sec Def was permitted only to add 100,000 civilians each calendar. So those were the major changes.

It slowed us down. I don't think we were ready. We were not planning to bring federal wage grade employees in, although we had had people out working on that. And how do you negotiate with the labor unions, and what does national level bargaining mean, and all of that? But to say that we were planning on it, it certainly was not in the Navy plan at that time.

John Sherwood: Where does the NSPS implementation process stand today, and what initiatives are under way?

Patricia Adams: Okay. The Department of the Navy has converted 64,000 employees to date. We have about 1,000 employees that we're reading for conversion in 2.4. We have an additional 58,000 employees who are eligible for conversion. These are bargaining unit white collar employees. The phase through spiral approach to implementation provided --

[BREAK].

John Sherwood: Okay. We're live.

Patricia Adams: Okay. And will give us an opportunity to see where we move forward with this.

John Sherwood: Are we ready now, or do we need to wait longer for some kind of an overall assessment, in your opinion?

Patricia Adams: In my opinion, we need to take the people who are in and we need to continue to get feedback on things that we can improve, and we need to practice it. I think there could be some improvements to it. I'm not so sure that a five-level system is a good system. I think we will just, everybody wants to have an A. We have grade employees in government. It'll be hard to keep people at threes. So I think we might rethink that. That was maybe not the smartest thing to do, one, two, three, four, five. Maybe we should've some different other system.

I have a concern about the cost. I think we're beginning to understand that this may be a very expensive program, so I think we've got to go back and look at that. Are we getting the bang for the buck out of it?

John Sherwood: Extensive in terms of the administration or the pay outs?

Patricia Adams: Pay outs actually.

Tia Butler: And administration.

Patricia Adams: In my mind, I wanted it to be simpler. I think the ability of employees to clearly understand where the command is going, how I fit in it, what I'm required to do this

year in order to contribute to that, and then being held accountable for it was very important.

I just want to say two things, too, that I think are really valuable as we go forward. One is NSPS insured that we got the attention and the involvement of the military leadership in the civilian workforce, which I think is very, very valuable. I think they now feel that they have a tool whereby they can say this is where we're going, this is what I need from you, and that there's some accountability. So I think that's very important.

The other thing I think is that we have, government management tends to not want to hurt people, and it's a very collaborative, a very kind form of management. However, there needs to be accountability, and if you have somebody that everybody knows is sitting there playing computer games, and you as a supervisor have to walk into a room and say, I'm going to give this person a great review, they're all going to say, no. So it has forced managers to manage in a way that they didn't before and giving them, what do I want to say, the courage to hold people accountable. Both of those I think are very important.

John Sherwood: So in that regard, it's your opinion that it's a success.

Patricia Adams: I think it is an improvement over where we were.

John Sherwood: What problems need to be solved as we move forward?

Patricia Adams: I think the rating. I think I would not want to see, I think we could do different than one, two, three, four, five. I think --

John Sherwood: Should we have fewer or more?

Patricia Adams: I think fewer. I think what you could do is have fully successful, and the top rating is you've got everything done and you did great stuff.

John Sherwood: So three, two, one.

Patricia Adams: Yeah. Then have people compete for a bonus pool, do the pay pool around bonus pool stuff.

John Sherwood: I see, above and beyond.

Patricia Adams: Yeah, exactly, and then people would kind of compete for those awards and you'd pick a top 10 percent of people, and they're on for that year. And that would set the expectation that I expect you to do your job every year.

John Sherwood: Did the five block system hearken back to the five block officer review that was part of the military fitness rep system?

Patricia Adams: To tell you the truth, I don't know where. I think some of the demos had five levels. Some had four

levels. I think it's easier to control that in a smaller command where there might be clearer criteria.

John Sherwood: Is there anything that you feel should be done to facilitate the change over to a new personnel system in DoD? Well, you just mentioned go to three.

Patricia Adams: Yeah. I think we could take what we've got and improve it, make it better. I don't think we have to throw everything out. We've made a big investment in people's time and energy, and I do think there's a lot of very good aspects of it. I would like to simplify it. If I had a magic wand, I'd say, I'm going to put you all, 20 people in the room, and tell me how to simplify it, and I'll give you an example. Performance management was very important for me, and I really wanted this to be about helping people understand how to perform better and improve. But my performance management system is 80 pages of policy. Why does it have to be so complicated? It was 100 pages and I made them go back, and maybe we've got it down to 60. But if I have to read 60 pages to do performance managers and manager or supervisor, it's overwhelming. So why can't we simplify it?

John Sherwood: What were your most significant decisions as a policy maker during NSPS?

Patricia Adams: I think one of the most important things that I fought for and did get was the reconsideration process,

which I think is a due process that we built into the system so that if someone doesn't think that they were treated properly, they can raise their hand and have their rating reconsidered. And I think that allows people the opportunity to feel like they have another chance at it if the whole process didn't go well. And I also think it allows them to get senior leadership to look at their scores if they wanted, if they want to. So there's a fairness issue. We tried to make it more transparent. We tried to ensure fairness. Those were the things that were very important to me. It's not a perfect system. There is no perfect performance management system, but, as I said, I think that senior leaders, once they understand the power of this system, to really, clearly say, these are the key things we've got to get done. I need your help. Put it in your performance standards. I'm going to hold you accountable for it. That is a huge capability for leadership, and I think the leaders are just beginning to understand that they have, this is a tool that they can use. We always describe, I have always described NSPS as a toolkit for managers in order to insure that they can get performance out of their organization. But I also think there's a learning curve for managers and supervisors and executives to really begin to understand what does that mean and how do I use it.

John Sherwood: What were the high points and the low points for you in constructing NSPS?

Patricia Adams: I think one of the low points were just before we got the pause because I just could see it was a train wreck. To me it was a lot more complicated than people understood, and I saw us going off a cliff. High points are when I just did, I just was out talking to, I was doing performance review authorities, so the senior people were going to have to review all the pay pools and all that. And hearing from people who have been doing the performance management for two or three years and hearing all the things that they've learned from it and all the successes that they've had and the struggles they've had. I always say this is a very difficult way to manage. The other system, pass/fail, was a great way to manage, it was easy, but was it effective? And for the employees, this is a hard way to be managed as well. How do I talk to GS-3s and I say, you're going to have to not say that you have a job, but that you have performance that you must put out for the organization and how do you talk about that and you're a GS-3, you know? This is tough.

John Sherwood: Right. There are people who have Ph.D.s and who are writers who can very eloquently communicate what they do.

Patricia Adams: Absolutely.

John Sherwood: And then there's the janitor --

Patricia Adams: Yep.

John Sherwood: -- who has more difficulty.

Patricia Adams: Right. Right.

John Sherwood: Can I ask you, historians love to sort of paint a picture of a person and provide a little biographical detail, where they grew up, where they went to college, how they got involved in DoD. Can you just paint a little picture of yourself?

Patricia Adams: Sure. I grew up in the Midwest, went to Michigan State Hotel School, came to Washington in the early 70s, worked for Marriott.

John Sherwood: What Midwestern area?

Patricia Adams: Ann Arbor, Michigan. And I grew up in a big family, seven brothers and sisters, and I went into the hotel business. Actually I was telling this story last week about not knowing that there were no women in the hotel school. Back then it was all men.

John Sherwood: Which hotel school?

Patricia Adams: Michigan State. And then came to Washington and worked for Marriott at a point when Marriott didn't have any women managers. They had a couple of supervisors, and they sent me off to talk to the women supervisors, and I asked the women supervisors was Marriott

ready for women managers, and they go, no, they're not. So then I called back, the guy, says, yeah, I'll take the job. So I was one of the first female managers in the hospitality business, but it was a great company, and I was there for almost 30 years. Started out in operations, doing restaurant work and hotel work.

John Sherwood: Like running the restaurants?

Patricia Adams: Yeah. Yeah, running the restaurants and the kitchen.

John Sherwood: Wow.

Patricia Adams: Yeah. And then, but always kind of, but then they put me into training, so I was always kind of being pulled in the direction of training, or human resources, or executive development. And my last job there was vice president of human resources for Residence Inn, one of their divisions. It was a fun business, but I left after 28 years because my husband got sick and passed away, and I had three teenage children. So I took a few years off and then I thought, after 9/11 I thought maybe I can go help government, and I started looking at senior executive jobs in HR and started writing my application. And the Navy picked me, so I started here in June of 2003 just from the outside. And not knowing much about the military, I walked right into NSPS really as my first project. And I didn't know a lot about Navy, but I did

know about personnel systems because I had done them in industry and we had a performance management system at Marriott. So I think I arrived at the right time to kind of say, this is a little bit more complicated than you think. And little did I know how complicated it was to get things done in government.

John Sherwood: Was experience with private industry a great asset?

Patricia Adams: Oh yeah. It was very, very valuable.

John Sherwood: Was that respected in DoD?

Patricia Adams: Yes. Yes. Yes.

John Sherwood: By both people under you and people above you?

Patricia Adams: I would say the people, certainly Secretary England and Assistant Secretary Navas listened to my counsel on that. Yeah, I think because it was more unchartered. If we had been talking GS and the civil service system, I wasn't an expert there, but I was in newer territory here that actually fit more of my personal experience.

John Sherwood: That you could bring that in and help design --

Patricia Adams: Yes.

John Sherwood: -- a new system.

Patricia Adams: Exactly. Exactly.

John Sherwood: That's very interesting.

Patricia Adams: Yeah.

John Sherwood: Well, I'd like to thank you for participating in this.

Patricia Adams: Great.

John Sherwood: And unless you have anything more to say, I'll stop the tape.

Patricia Adams: That's it. Thank you.

END OF SESSION.